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201303Z Jan 05

ACTION AF-00

INFO	LOG-00	NP-00	AID-00	CEA-01	CIAE-00	COME-00	CTME-00
	INL-00	ITCE-00	DOT-00	DS-00	EB-00	EXME-00	EUR-00
	E-00	FAAE-00	UTED-00	VC-00	FRB-00	H-00	TEDE-00
	INR-00	IO-00	JUSE-00	LAB-01	VCE-00	M-00	AC-00
	NEA-00	DCP-00	NSAE-00	NSCE-00	OES-00	OIC-00	OMB-00
	NIMA-00	OPIC-01	EPAU-00	PA-00	MCC-00	GIWI-00	ACE-00
	SP-00	SSO-00	STR-00	FMP-00	BBG-00	EPAE-00	IIP-00
	DSCC-00	PRM-00	DRL-00	G-00	NFAT-00	SAS-00	/003W

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FM AMEMBASSY NDJAMENA  
TO SECSTATE WASHDC 0790  
INFO AMEMBASSY ABUJA  
AMEMBASSY ALGIERS  
AMEMBASSY BAMAKO  
AMEMBASSY DAKAR  
AMEMBASSY LONDON  
AMEMBASSY NIAMEY  
AMEMBASSY OSLO  
AMEMBASSY PARIS  
AMEMBASSY YAOUNDE  
CDR USCENTCOM MACDILL AFB FL  
SECDEF WASHDC  
USEU BRUSSELS  
USMISSION USUN NEW YORK  
DEPT OF TREASURY WASHDC  
DOE WASHDC

UNCLAS NDJAMENA 000073

SIPDIS

SENSITIVE

DEPARTMENT FOR AF, AF/C, EB, AND H FOR CALLARD; LONDON AND  
PARIS FOR AFRICAWATCHERS; TREASURY FOR OTA; ENERGY FOR  
GEORGE PERSON AND CAROLYN GAY

E.O. 12958: N/A

TAGS: [PGOV](#) [PHUM](#) [KDEM](#) [EPET](#) [ECON](#) [CD](#) [VIP](#)

SUBJECT: SENATOR FEINGOLD TALKS ABOUT ANTI-CORRUPTION WITH  
CHADIAN OFFICIALS

REF: A. NDJAMENA 68

[1](#)B. NDJAMENA 72

[1](#)1. (SBU) Summary: Senator Russell Feingold met with Mariam Ali, the newly-appointed Minister of Public Control and Ethics who also serves as an inspector general for government operations, and members of the Oil Revenue Management College to discuss transparency measures and mechanisms to control corruption on January 13. Feingold heard about Ali's efforts to get the newly created ministry and government anti-corruption policies in place. According to Ali, there is considerable support for anti-corruption measures within the government. During a luncheon with members of the College, Feingold was told that to date, the process by which government projects in priority sectors are reviewed is working. Members represent various constituencies and take their task very seriously. They emphasized the importance of the College succeeding so that Chad can be a good example of the benefits that oil can bring. Despite the optimism expressed throughout the day, our Chadian contacts also acknowledged the challenges ahead in the fight against corruption. End Summary.

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ANTI-CORRUPTION ACTIVITIES  
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[1](#)2. (SBU) Senator Feingold encouraged Minister for Public Control and Ethics Mariam Ali's efforts to strengthen the ministry's capacity to act as a watchdog against corruption. Ali explained that the ministry was created six months earlier and represents a consolidation of government anti-corruption efforts underway since 1991. With oil revenues now flowing into Chad, there is more urgency in the fight against corruption in Chad, Ali said. The Government wants to ensure that the oil revenues are properly managed and that types of corruption that happened in the past do not re-occur. Ali stated that it is important to show Chadians that the Government is being vigilant.

[1](#)3. (SBU) The Minister said that policy documents outlining anti-corruption measures have already been signed and another is now before the Council of Ministers for consideration. Ali said that she believes that she has a high level of support among the ministries and the full support of the President and Prime Minister. She said that other ministers

have expressed high expectations for her ministry to root out bad management. Ali told Feingold that there are many competent bureaucrats throughout the government that can assist in fighting corruption.

14. (SBU) In terms of budget transparency, Ali told Feingold that the Oil Revenue Management College has been put in place to oversee the oil revenues. She said that her ministry will also monitor Government spending of the oil revenues as well, but did not explain how her ministry will exercise oversight. Feingold noted that Chad is near the bottom of Transparency International's (TI) list for corruption and that this makes it difficult to attract international investors. She acknowledged the problem and said that her ministry is currently preparing a reply to a TI questionnaire.

15. (SBU) Ali noted, however, that it has taken time to organize the new ministry. Her office is currently housed within the Presidency, but needs space to expand. In terms of expertise, Ali said that Chad is learning a great deal from the anti-corruption experiences of Burkina Faso and Benin. She is traveling to both countries for two weeks to learn more about enhancing anti-corruption capabilities, best practices, and procedures.

16. (SBU) Ali emphasized that in an increasingly globalized

world, corruption in one country has implications for others.

She said that Chad will review the anti-corruption efforts of other countries and adapt them to Chadian realities. She relayed her experience with a group of African parliamentarians that visited Chad in December 2004. She told the conference that corruption is responsible for many countries losing assistance and investment. One parliamentarian disagreed with her and said that there actually are benefits to corruption. Ali said she was surprised to find someone defending corruption as &good8.

17. (SBU) Feingold again expressed support for Ali in her anti-corruption efforts. He reminded her that Kenya's reputation was destroyed by corruption under President Moi. Kabaki's election on an anti-corruption platform is helping to improve the country's reputation once again. Ali thanked Feingold and Ambassador Wall for the visit and added that the Ambassador &holds the key to my new office in his hands8. (Comment: A reference to the Government's interest in acquiring a U.S. property to locate the Ministry. Ref A. End Comment.)

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PROTECTING PETROLEUM REVENUES  
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18. (SBU) Feingold received a closer look at how Chad's new oil revenues are being monitored during a luncheon with eight members of the Oil Revenue College and two U.S. treasury advisors. Newly-elected College President, Lamana Abdoulaye outlined for Feingold the College's structure and procedures for reviewing government project proposals. When Feingold asked why the College was created, government members emphasized that the President Deby insisted on its creation. According to Lamana, the President wanted to ensure that Chad did not repeat the mistakes of Nigeria or Gabon, oil producers where the people live in poverty but the leaders enjoy rich lifestyles. (Comment: None of the members mentioned that the monitoring mechanism was required by the financial institutions as a condition of the loan. For more information on the College's recent activity, see Ref B. End Comment.)

19. (SBU) College members expressed satisfaction with the projects that they have already approved and with their relationship with the Ministries. They told Feingold that some key Ministers were at one time members of the College. They also said that they did not feel any undue pressure from the Government at this point. Interestingly, the conversation turned to other oil issues, which are outside of the College's mandate. Chadian officials, for example, are trying to understand if Chad is maximizing its profits from oil production. They have demonstrated interest in how the price of a barrel of Doba blend oil is calculated and the point at which the oil is metered in the pipeline. In addition, Lamana raised other technical issues which demonstrate that College members do not fully understand the production process and oil marketing.

110. (SBU) The College members told Feingold that they expect the revenues from new fields to be used in the same spirit as the current revenues, with slight adjustments for priority sectors. College members were not sure if another College would be created to monitor revenues from future exploration or if the current institution would be responsible. They expressed some concern about the workload when future revenues are brought on line because each member already has a full-time job in addition to their College work. Site

visits to verify that projects have been completed will be critical to demonstrating the College's success. Several members noted that their personal reputations are on the line if this process fails and Chad's oil revenues are squandered

away.

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COMMENT  
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11. (SBU) Ali's Ministry and the College are relatively young in institutional terms. Key players appear well-versed in their portfolios and determined to monitor government activities to the best of their abilities. In the case of the College, the work of each member reflects on their constituencies and they emphasized the importance of making sure that the oil revenues are properly spent. Nonetheless, most of our interlocutors acknowledged the difficulties they face and agreed that the fight against corruption has just begun in Chad. Senator Feingold made it clear that he would remain an ally in their attempts to instill transparency and accountability in government.

WALL

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